

5/10/2018 3:35 PM
18CV19147


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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MARION

MID-VALLEY ORAL, MAXILLOFACIAL & IMPLANT SURGERY, P.C., an Oregon Domestic Professional Corporation,)	Case No. 18CV19147
)	COMPLAINT – Breach of Contract
Plaintiff,)	Prayer Amount in Complaint: \$892,000
vs.)	
SENTINEL INSURANCE COMPANY, LTD, aka SENTINEL INSURANCE COMPANY, LIMITED, a foreign corporation; THE HARTFORD FINANCIAL SERVICES GROUP, INC., a foreign corporation, aka THE HARTFORD; and HARTFORD FIRE INSURANCE COMPANY, a foreign corporation;)	
Defendants.)	

1.

Plaintiff Mid-Valley Oral, Maxillofacial & Implant Surgery, P.C., (hereinafter
“Mid-Valley”) is an Oregon Domestic Professional Corporation. Mid-Valley’s principal
place of business is 1565 Liberty Street S.E., Salem, Marion County, Oregon 97302.

2.

Defendants Sentinel Insurance Company, The Hartford Financial Services Group, Inc.,
and Hartford Fire Insurance Company are foreign companies authorized to transact business in
the State of Oregon and whose principal places of business are in Connecticut.

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570 Liberty Street S.E, Suite 200
Salem, Oregon 97301
(503) 371-3502

1 3.

2 At all relevant times, Mid-Valley owned a "Business Insurance Policy" issued by
3 Defendants, Policy Number 40 SBA VT5567 DW (see Declarations Page attached hereto as
4 Exhibit A). Mid-Valley's principal place of business was listed as the "scheduled premises"
5 under the insurance policy. The described business insurance policy had been paid for by
6 Plaintiffs and was in full force on May 14, 2016.

7 4.

8 The policy provides coverage for lost "business income" in the event of a "direct physical
9 loss of or physical damage to property at the 'scheduled premises.'" "Business income" means
10 the net income "that would have been earned or incurred if no direct physical loss or physical
11 damage had occurred."

12 5.

13 On May 14, 2016, a fire destroyed the Mid-Valley principal place of business. The
14 fire caused a necessary suspension of operations, thus triggering the loss of business income
15 provision of the policy.

16 6.

17 Defendants have breached the insurance policy/agreement by failing to pay the "actual"
18 loss of business income sustained by Mid-Valley. Defendants' payments to Mid-Valley
19 under the loss of business income provision of the policy are deficient in the amount of
20 \$892,000.

21 7.

22 Mid-Valley has satisfied all requirements of the insurance policy/agreement. Mid-Valley
23 has satisfied all prerequisites and conditions precedent to filing suit.

24 8.

25 Plaintiff has demanded that the Defendants consider Plaintiff's claim, but Defendants
26 have declined to do so. Plaintiff is entitled to its attorney fees pursuant to ORS 742.061.

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9.

WHEREFORE, Plaintiff Mid-Valley Oral, Maxillofacial & Implant Surgery, P.C.,
prays for the following relief:

- a) Damages for breach of contract in the amount of \$892,000;
- b) Attorney fees pursuant to ORS 742.061;
- c) Costs and disbursements provided by law; and
- d) All other relief the court deems reasonable and appropriate.

PARKS, BAUER, SIME, WINKLER & FERNETY

By:


ROBERT L. WINKLER, OSB #873701
Of Attorneys for Plaintiff
hwinkler@pbswlaw.com

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Exhibit 2

67 This Spectrum Policy consists of the Declarations, Coverage Forms, Common Policy Conditions and any
 55 other Forms and Endorsements issued to be a part of the Policy. This insurance is provided by the stock
 VT insurance company of The Hartford Insurance Group shown below.
 SBA

INSURER: SENTINEL INSURANCE COMPANY, LIMITED
 ONE HARTFORD PLAZA, HARTFORD, CT 06155
 COMPANY CODE: A

Policy Number: 40 SBA VT5567 DW



SPECTRUM POLICY DECLARATIONS

ORIGINAL

Named Insured and Mailing Address: MID-VALLEY ORAL
 (No., Street, Town, State, Zip Code) SEE FORM SS 12 35
 1565 LIBERTY ST SE
 SALEM OR 97302

Policy Period: From 07/18/15 To 07/18/16 1 YEAR
 12:01 a.m., Standard time at your mailing address shown above. Exception: 12 noon in New Hampshire.

Name of Agent/Broker: TRELOAR & HEISEL INC/PHS
 Code: 522936

Previous Policy Number: 40 SBA VT5567

Named Insured is: S-CORP

Audit Period: NON-AUDITABLE

Type of Property Coverage: SPECIAL

Insurance Provided: In return for the payment of the premium and subject to all of the terms of this policy, we agree with you to provide insurance as stated in this policy.

TOTAL ANNUAL PREMIUM IS: \$2,448

Countersigned by

Susan L. Castaneda

Authorized Representative

05/19/15
 Date



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INSURED COPY

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SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 40 SBA VT5567

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

Location: 001 Building: 001

**1565 LIBERTY STREET
SALEM OR 97302**

**Description of Business:
Medical Office - Dentist**

Deductible: \$ 500 PER OCCURRENCE

BUILDING AND BUSINESS PERSONAL PROPERTY LIMITS OF INSURANCE

BUILDING

REPLACEMENT COST \$ 524,000

BUSINESS PERSONAL PROPERTY

REPLACEMENT COST \$ 498,500

PERSONAL PROPERTY OF OTHERS

REPLACEMENT COST NO COVERAGE

MONEY AND SECURITIES

**INSIDE THE PREMISES \$ 10,000
OUTSIDE THE PREMISES \$ 5,000**

**LOSS PAYEE: 'A' APPLIES
MORTGAGE HOLDER: 'A' APPLIES**

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 40 SBA VT5567

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

Location: 001 Building: 001

**PROPERTY OPTIONAL COVERAGES APPLICABLE LIMITS OF INSURANCE
TO THIS LOCATION**

**SUPER EXTENSION OF COVERAGE FOR
MEDICAL & DENTAL OFFICES
FORM SS 40 74
THIS FORM INCLUDES MANY ADDITIONAL
COVERAGES AND EXTENSIONS OF
COVERAGES. A SUMMARY OF THE
COVERAGE LIMITS IS ATTACHED.**

**LIMITED FUNGI, BACTERIA OR VIRUS \$ 50,000
COVERAGE:
FORM SS 40 93**

**THIS IS THE MAXIMUM AMOUNT OF
INSURANCE FOR THIS COVERAGE,
SUBJECT TO ALL PROPERTY LIMITS
FOUND ELSEWHERE ON THIS
DECLARATION.
INCLUDING BUSINESS INCOME AND EXTRA
EXPENSE COVERAGE FOR:**

30 DAYS

*3100240VT55670116 05488



**Form SS 00 02 12 06
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Exhibit 2

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 40 SBA VT5567

**PROPERTY OPTIONAL COVERAGES APPLICABLE LIMITS OF INSURANCE
TO ALL LOCATIONS**

**BUSINESS INCOME AND EXTRA EXPENSE
COVERAGE**
**COVERAGE INCLUDES THE FOLLOWING
 COVERAGE EXTENSIONS:**

12 MONTHS ACTUAL LOSS SUSTAINED

ACTION OF CIVIL AUTHORITY:
EXTENDED BUSINESS INCOME:

30 DAYS
 30 CONSECUTIVE DAYS

EQUIPMENT BREAKDOWN COVERAGE
**COVERAGE FOR DIRECT PHYSICAL LOSS
 DUE TO:**
**MECHANICAL BREAKDOWN,
 ARTIFICIALLY GENERATED CURRENT
 AND STEAM EXPLOSION**

**THIS ADDITIONAL COVERAGE INCLUDES
 THE FOLLOWING EXTENSIONS**

**HAZARDOUS SUBSTANCES
 EXPEDITING EXPENSES**

\$ 50,000
 \$ 50,000

**MECHANICAL BREAKDOWN COVERAGE ONLY
 APPLIES WHEN BUILDING OR BUSINESS
 PERSONAL PROPERTY IS SELECTED ON
 THE POLICY**

**IDENTITY RECOVERY COVERAGE
 FORM 88 41 12**

\$ 15,000

**BUSINESS INCOME FOR INTERRUPTION
 OF PRACTICE
 DAILY LIMIT
 FORM: 88 40 76**

\$5,000

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 40 SBA VT5567

BUSINESS LIABILITY	LIMITS OF INSURANCE
LIABILITY AND MEDICAL EXPENSES	\$2,000,000
MEDICAL EXPENSES - ANY ONE PERSON	\$ 10,000
PERSONAL AND ADVERTISING INJURY	\$2,000,000
DAMAGES TO PREMISES RENTED TO YOU ANY ONE PREMISES	\$1,000,000
AGGREGATE LIMITS	
PRODUCTS-COMPLETED OPERATIONS	\$4,000,000
GENERAL AGGREGATE	\$4,000,000
EMPLOYMENT PRACTICES LIABILITY COVERAGE: FORM SS 09 01	
EACH CLAIM LIMIT	\$ 10,000
DEDUCTIBLE - EACH CLAIM LIMIT NOT APPLICABLE	
AGGREGATE LIMIT	\$ 10,000
RETROACTIVE DATE: 07182009	

This Employment Practices Liability Coverage contains claims made coverage. Except as may be otherwise provided herein, specified coverages of this insurance are limited generally to liability for injuries for which claims are first made against the insured while the insurance is in force. Please read and review the insurance carefully and discuss the coverage with your Hartford Agent or Broker.

The Limits of Insurance stated in this Declarations will be reduced, and may be completely exhausted, by the payment of "defense expense" and, in such event, The Company will not be obligated to pay any further "defense expense" or sums which the insured is or may become legally obligated to pay as "damages".

**BUSINESS LIABILITY OPTIONAL
COVERAGES**

HIRED/NON-OWNED AUTO LIABILITY	\$2,000,000
REIMBURSEMENT OF LEGAL EXPENSES	\$50,000 PER SUIT
COVERAGE FOR DISPOSAL OF MEDICAL WASTE	\$50,000 ANNUAL AGGREGATE
FORM: SS 40 77	

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SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 40 SBA VT5567

BUSINESS LIABILITY OPTIONAL COVERAGES (Continued)	LIMITS OF INSURANCE
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REIMBURSEMENT OF LEGAL EXPENSES COVERED FOR COURT OR REVIEW BOARDS FORM: SS 40 75	\$5,000
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**CYBERFLEX COVERAGE
FORM SS 40 26**

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SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 40 SBA VT5567

**ADDITIONAL INSURED: THE FOLLOWING ARE ADDITIONAL INSURED FOR BUSINESS
LIABILITY COVERAGE IN THIS POLICY.**

LOCATION 001 BUILDING 001
TYPE MANAGER LESSOR
NAME SEE FORM IH 12 00
TYPE PERSON ORGANIZATION
NAME SEE FORM IH 12 00

*3100240VT55670116 05490



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Exhibit 2

SPECTRUM POLICY DECLARATIONS (Continued)**POLICY NUMBER: 40 SBA VT5567****MORTGAGE HOLDER 'A':**

PACIFIC CONTINENTAL BANK
 SWIDERSKI HOLDINGS LLC
 PO BOX 10727
 EUGENE, OR. 97440

LOSS PAYEE 'A':

PACIFIC CONTINENTAL BANK
 SWIDERSKI HOLDINGS LLC
 PO BOX 10727
 EUGENE, OR. 97440
 BUSINESS PERSONAL PROPERTY

PROPERTY:**Form Numbers of Forms and Endorsements that apply:**

SS 00 01 03 14	SS 00 05 10 08	SS 00 07 07 05	SS 00 08 04 05
SS 12 35 03 12	SS 01 44 10 08	SS 01 56 03 92	SS 04 19 04 09
SS 04 22 07 05	SS 04 30 07 05	SS 04 38 09 09	SS 04 39 07 05
SS 04 41 04 09	SS 04 42 09 07	SS 04 44 07 05	SS 04 45 07 05
SS 04 46 09 14	SS 04 47 04 09	SS 04 78 07 05	SS 04 80 03 00
SS 04 86 03 00	SS 40 18 07 05	SS 40 26 06 11	SS 40 74 09 07
SS 40 75 07 09	SS 40 76 07 05	SS 40 77 09 01	SS 40 93 07 05
SS 41 12 12 07	SS 41 51 10 09	SS 41 62 06 11	SS 41 63 06 11
IH 10 01 09 86	SS 05 47 09 01	SS 50 57 04 05	SS 09 01 12 14
SS 09 67 09 14	SS 09 70 12 14	SS 09 71 12 14	SS 12 12 03 92
SS 50 19 01 15	IH 99 40 04 09	IH 99 41 04 09	SS 38 25 12 07
SS 83 76 01 15	SS 84 54 09 07		
IH 12 00 11 85	ADDITIONAL INSURED - MANAGER/LESSOR		
IH 12 00 11 85	ADDITIONAL INSURED - PERSON-ORGANIZATION		

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